

Robinson to LB 663. That's all that I have. (See pages 1595-98 of the Legislative Journal.)

SPEAKER BAACK: Mr. Clerk, next item on the bill. Okay. We will go to Senator Landis to open on LB 320. Senator Landis.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature. We probably will be entering a discussion between the Hall and Kristensen concept of how to proceed on agricultural valuation, the straight percentage of market idea versus the mechanism that is now in LB 320. And Senator Johnson raised a good point when he asked Senator Hall about the gap between other kinds of property and agricultural property, if LB 320 is passed into law. Currently, the highest valuation in this state is for commercial property. As a matter of fact, there are probably some small towns where the commercial property is over the market value considerably, because there really isn't a market, but the book value from the manual is followed, and that's probably the highest valued property in the state right now, small town commercial property. After that, urban land dwellings, homes have the highest percentage of market valuation, and they vary city by city and the like, one of the reasons being the manual constructs a concept of value, but there may or may not be a real marketplace out there for properties at those values. My guess is that a small town with a declining population, little movement into the town, may well have valuations on the homes that the homeowner could not find a willing buyer to buy at that figure, not because it's not a fair figure, but because there isn't a willing buyer. The gap is pretty close to 20 percent, the difference between commercial property and agricultural property, and probably higher than that with respect to small town commercial property. With respect to residential property, we could be talking, as Tim mentioned, 14, 15 percent of a gap between agricultural property and residential property. We have been, historically, at lower than 80 percent of market for agricultural land, we've been at 60, we've been below 60 percent. But it is also the case that our values for other kinds of property were lower than market at the same time. And our commercial property was at 90, and our residential property was at 80, and the... Senator Hall raised a very good point. Our assessment practices have improved over time, although they continue to need improvement as we go on. And the gap between agricultural property and other kinds of property would be quite difficult to assess on a historical basis over time, because our assessment practices for all types